

Introduced by Senator Negrete McLeod

February 24, 2012

An act to amend Sections 31452.5, 31520.5, and 31592.5 of, and to add Section 31471.5 to, the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 1382, as introduced, Negrete McLeod. County employees' retirement: retiree organizations.

The County Employees Retirement Law of 1937 authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county, city, and district employees. That law authorizes a county retirement board to give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member entitled to a retirement allowance or benefit for the deduction of a specified amount for various purposes, including, among others, paying for group life insurance, group disability insurance, prepaid group medical or hospital service plans, and dental plans approved by the board.

This bill would further allow for written authorization of, and deduction for, payments to a recognized retiree organization.

Under the County Employees Retirement Law of 1937, the retirement board in specified counties is comprised of 9 members. In those counties, the board is authorized to appoint an alternate retired member to the office of the 8th member of the board, from a list of nominees submitted by a qualified retiree organization, as defined.

This bill would instead authorize that list of nominees to be submitted by a recognized retiree organization. The bill would also define "recognized retiree organization" for purposes of the County Employees

Retirement Law, and would make related conforming and technical changes.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 31452.5 of the Government Code is
2 amended to read:

3 31452.5. (a) The board may comply with and give effect to
4 a revocable written authorization signed by a retired member or
5 beneficiary of a retired member entitled to a retirement allowance
6 or benefit under this chapter, authorizing the treasurer or other
7 entity authorized by the board to deduct a specified amount from
8 the retirement allowance or benefit payable to any retired member
9 or beneficiary of a retired member ~~for the purpose of paying~~
10 ~~premiums on any policy or certificate of group life insurance or~~
11 ~~group disability insurance issued by an admitted insurer, for any~~
12 ~~prepaid group medical or hospital service plan, or both, for any~~
13 ~~vision care program or dental plan, approved by the board, for the~~
14 ~~benefit of the retired member or his or her dependents, for the~~
15 ~~payment of premiums on national service life insurance or United~~
16 ~~States government converted insurance, for the purchase of shares~~
17 ~~in or the payment of money to any regularly chartered credit union,~~
18 ~~for charitable organizations or federally chartered veterans'~~
19 ~~organizations as approved by both the board of retirement and the~~
20 ~~board of supervisors, or for the purchase of United States Savings~~
21 ~~Bonds, or for the payment of personal income taxes to the~~
22 ~~government of the United States or of the State of California, and~~
23 ~~each month shall draw his or her order in favor of the insurer,~~
24 ~~institution, credit union, or government named in the written~~
25 ~~authorization for an amount equal to the deductions so authorized~~
26 ~~and made during the month. The board may charge a reasonable~~
27 ~~fee for the making of the deductions and payments: any of the~~
28 *following purposes:*

29 (1) *Paying premiums on any policy or certificate of group life*
30 *insurance or group disability insurance issued by an admitted*
31 *insurer.*

32 (2) *A prepaid group medical or hospital service plan.*

1 (3) A vision care program or dental plan, approved by the
2 board, for the benefit of the retired member or his or her
3 dependents.

4 (4) The payment of premiums on national service life insurance
5 or United States government converted insurance.

6 (5) The purchase of shares in or the payment of money to any
7 regularly chartered credit union.

8 (6) A charitable organization or a federally chartered veterans'
9 organization that is approved by the board.

10 (7) Payments to a recognized retiree organization.

11 (8) The purchase of United States Savings Bonds.

12 (9) The payment of personal income taxes to the government of
13 the United States or the State of California.

14 (b) Each month the order shall be drawn in favor of the insurer,
15 institution, credit union, or government named in the written
16 authorization for an amount equal to the deductions authorized
17 in subdivision (a) and made during the month.

18 (c) The board may charge a reasonable fee for the making of
19 the deductions and payments.

20 SEC. 2. Section 31471.5 is added to the Government Code, to
21 read:

22 31471.5. "Recognized retiree organization" means an
23 organization for which a majority of the members of the
24 organization are retired members of the system and which the
25 board has approved recognition.

26 SEC. 3. Section 31520.5 of the Government Code is amended
27 to read:

28 31520.5. (a) Notwithstanding Section 31520.1, in any county
29 subject to Articles 6.8 (commencing with Section 31639) and 7.5
30 (commencing with Section 31662), the board of retirement may,
31 by majority vote, appoint, from a list of nominees submitted by a
32 ~~qualified~~ *recognized* retiree organization, an alternate retired
33 member to the office of the eighth member, who shall serve until
34 the expiration of the current term of the current eighth member.
35 Thereafter, the alternate retired member shall be elected separately
36 by the retired members of the association in the same manner and
37 at the same time as the eighth member is elected. ~~An organization~~
38 ~~shall be deemed to be a "qualified retiree organization" for~~
39 ~~purposes of this subdivision if a majority of the members of the~~
40 ~~organization are retired members of the system.~~

(b) The term of office of the alternate retired member shall run concurrently with the term of office of the eighth member. The alternate retired member shall vote as a member of the board only in the event the eighth member is absent from a board meeting for any cause. If there is a vacancy with respect to the eighth member, the alternate retired member shall fill that vacancy for the remainder of the eighth member's term of office.

(c) Except as otherwise provided in this section, the alternate retired member shall be entitled to the same rights and privileges and shall have the same responsibilities and access to closed sessions as the eighth member.

(d) The alternate retired member may hold positions on committees of the board independent of the eighth member and may participate in the deliberations of the board or any of its committees to which the alternate retired member has been appointed whether or not the eighth member is present.

(e) The alternate retired member shall be entitled to the same compensation as the eighth member for attending a meeting, pursuant to Sections 31521 and 31521.1, whether or not the eighth member is in attendance at those meetings.

(f) (1) If this section is made applicable in any county, by the appointment of an alternate eighth member, the alternate seventh member shall not sit and act for the eighth member, except as described in paragraph (2).

(2) If both the eighth member and the alternate retired member are not attending a meeting, the alternate seventh member may sit and act for the eighth member as described in Section 31520.1.

SEC. 4. Section 31592.5 of the Government Code is amended to read:

31592.5. The board shall provide to any *recognized retiree* organization ~~that is recognized by the board as representing the retired employees of the county or district~~ reasonable advance notice of any proposed changes to the retirement benefits offered by the system or the use or uses of excess funds of the retirement system. The organization shall have a reasonable opportunity to comment prior to any formal action by the board on the proposed changes.